



# mode

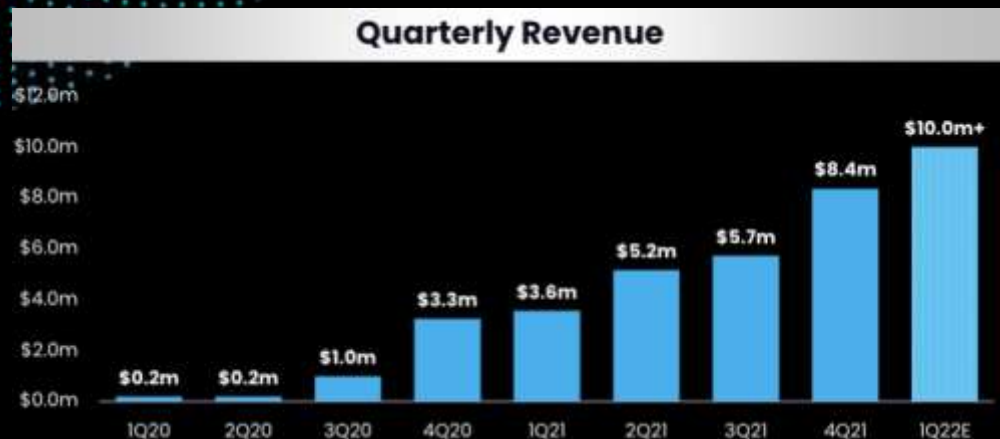
## mobile

Play. Earn. Invest.

# Mode Mobile

## Rapid Growth Play-to-Earn Platform at the Intersection of Web2 and Web3

- Strong revenue growth: hit revenue of \$23M in 2021 – up 5x Y/Y while maintaining strong gross margins
- Driving towards \$50M+ in revenue for 2022E



### Key Customer Metrics Include:

- 7-to-1 CAC to LTV
- Retention rates > 30% at 12 months
- ~\$70 US premium user acquisition cost
- 4-6 months US premium user payback period<sup>(1)</sup>

(1) Assumes 65% blended gross margins after redemption payouts over the first 6 months

# The Problem

Users want **to earn**  
and **build wealth.**

Consumers are seeking **reliable ways to bring in additional income** with minimal effort and maximum convenience.



# The Solution

## Mode: The Future of Rewards & Redemption

**Mode enables users to turn daily digital activities into cash** in EarnOS:

A rewards-based superapp that unites the best of online earning, in one streamlined platform.

Earned funds can then be **redeemed and reinvested, all without ever leaving EarnOS.**



Jeff is crypto-curious looking to fund investment exploration:

**"This app is awesome! In the last month I've received almost \$200 in payouts to my PayPal account. It is literally funding my crypto & stocks. Amazing, just amazing!"**

*- Jeff Joy*

Christi is looking for supplemental income to help pay the bills:

**"THIS IS THE BEST get paid to app out there no joke. I am so grateful for this - it helps tons in between paydays and we're having a blast with it."**

*- Christi Costas*

# We Focus on Budget-Conscious Consumers Globally

## 1% of the Market Builds a Multi-Billion Dollar Company

4bn

HAVE  
SMARTPHONE

96% of internet users have smartphone & spend 3 hours per day on smartphone

2.5bn

USE ANDROID

consumers who can potentially use Android earn features

2.1bn

TOTAL ADDRESSABLE MARKET

budget-conscious consumers worldwide, who want to earn supplemental income

100m

US ADDRESSABLE MARKET

budget-conscious consumers in the US, who want to earn supplemental income

# Our Users

## CASUAL USERS

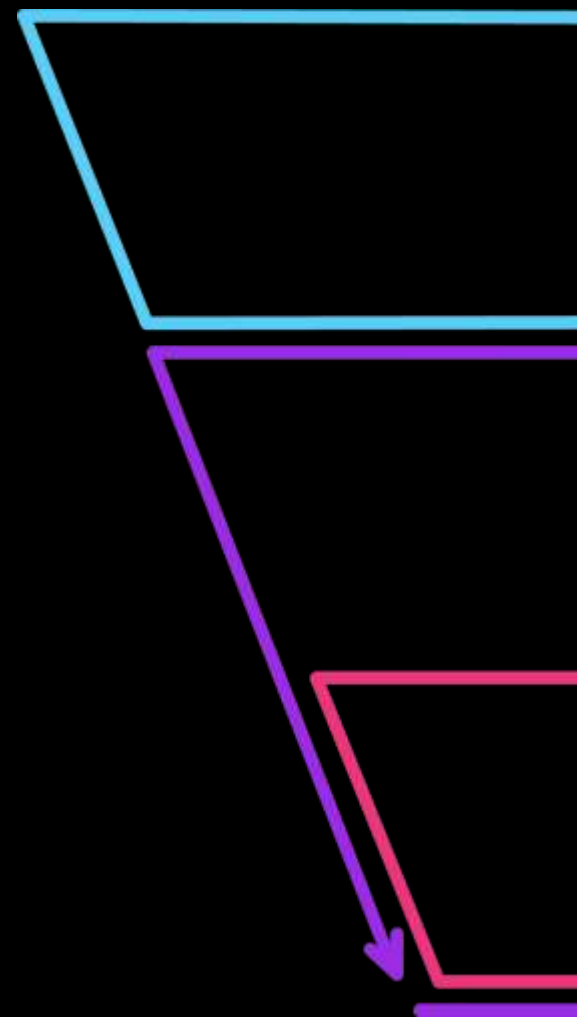
- Passive, exploratory users (e.g. solely music listeners)
- MAU of 1.1M\*
- Generate 5% of EarnOS revenue
- 85% International MAU\* (in beta)

## CORE USERS

- Highly engaged, active earners
- MAU of 393k\*
- Generate 95% of EarnOS revenue
- **US Core ARPMAU increased significantly from \$6 to \$15 in 2021**

## PREMIUM CORE USERS

- Subset of Core EarnOS™ users who have redeemed at least once on the platform
- MAU of 189k\*
- **Premium users monetize 2x higher than general Core users with 3x higher retention**



# Growing Engagement

Monthly average minutes / premium core user continues to increase (83+ hours)



# How People are Earning on the Platform



## FINANCIAL SERVICES DEALS

Financial services partners offer deals to our users. Crypto & Banking being top performers



## GAME & OFFER REWARDS

The Boosters tab offers games, videos, and other offers to users. We expose millions of users to game developers

## CONSUMER MEDIA CONSUMPTION

Over 330M tracks played every month. Users open into our experience ~40x/day



## MARKET RESEARCH & SURVEYS

Surveys available to users in exchange for rewards





# How We Monetize

## Payment Basis

## Partner Use Case Revenue Distribution



OFFERS & DIRECT

- Our partners target our **global audience**
- We are **rapidly growing** the portfolio of **partners across industries**
- We can **amplify** partner rewards with our own rewards on the EarnOS platform

CPA



PROGRAMMATIC  
MARKETING

- Users **earn rewards** for in-app consumer media consumption of music, videos, weather, news, search, and phone charging
- **Programmatic marketing** has been decreasing as a percentage of total revenue, declining to **19% in January 2022** versus 49% in January 2021

CPM



MARKET RESEARCH  
& SURVEYS

- Users earn rewards for completing **market research consumer surveys**
- We believe this can be a **significant revenue contributor** over the next several years

CPA



FINTECH

35%



GAMING

40%



CONSUMER MEDIA &  
APP CONSUMPTION

15%

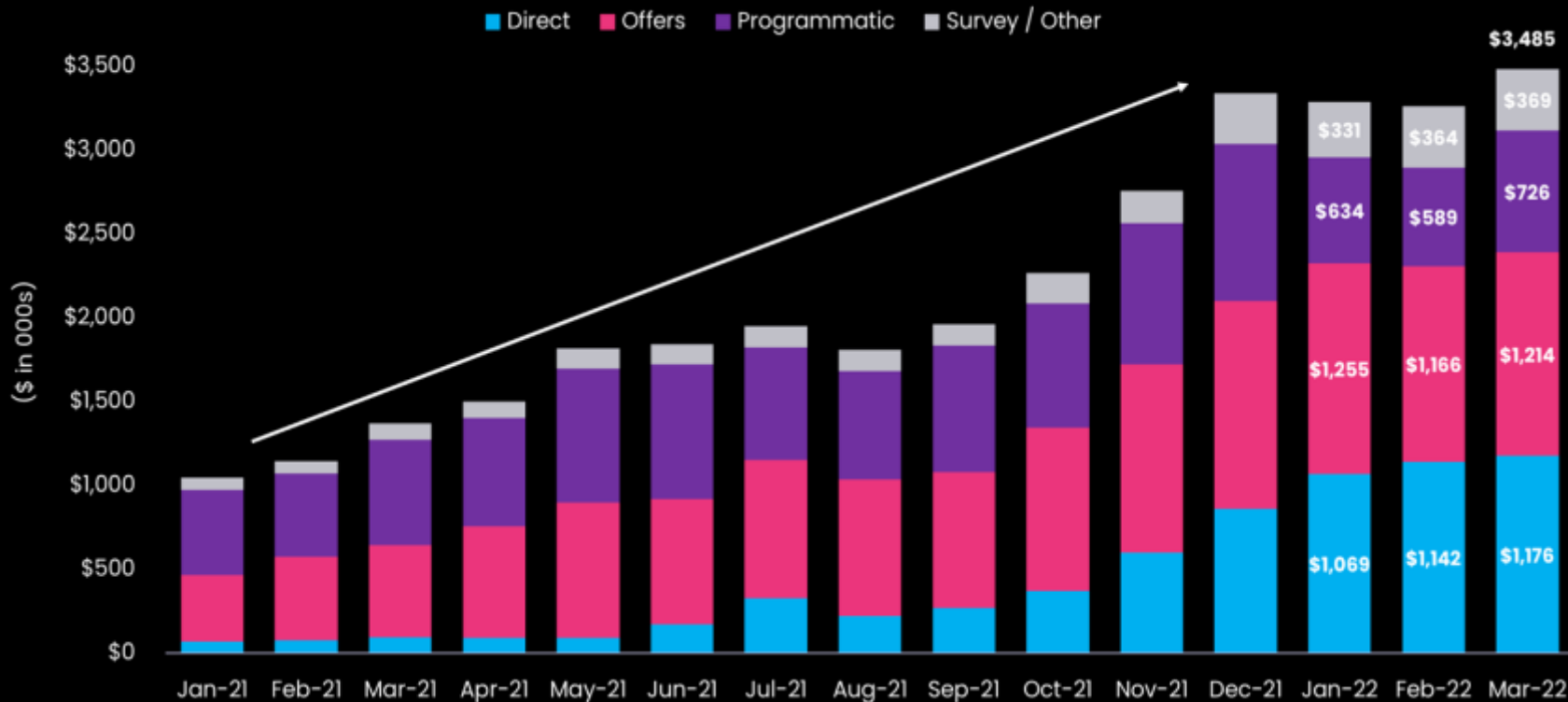


MARKET RESEARCH  
& SURVEYS

10%

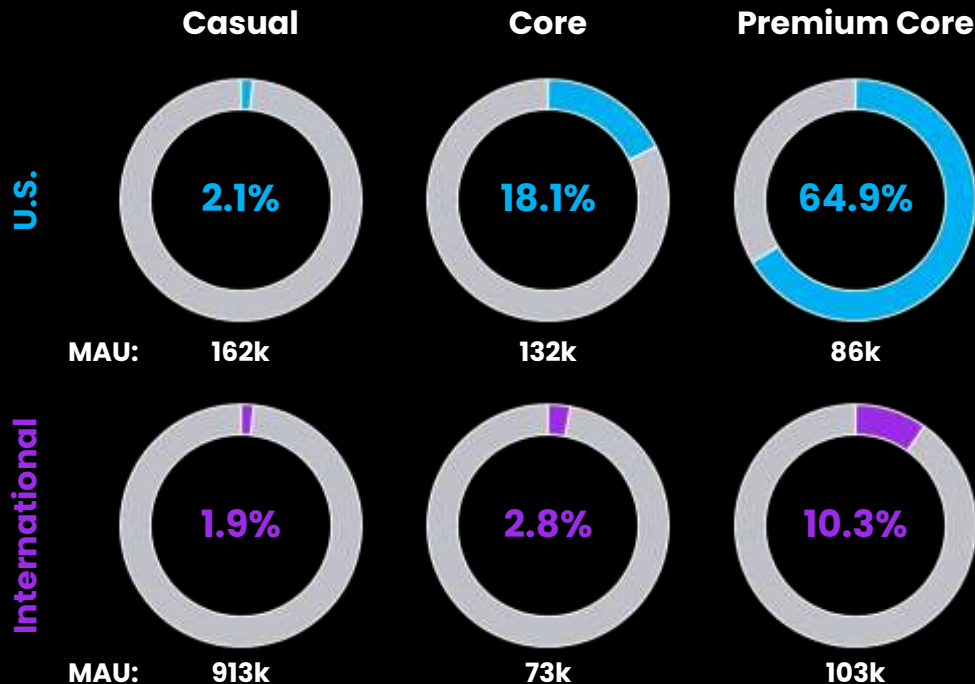
# Revenue Segments

Growth Driven by Deals and Offers



# Revenue by User Type\*

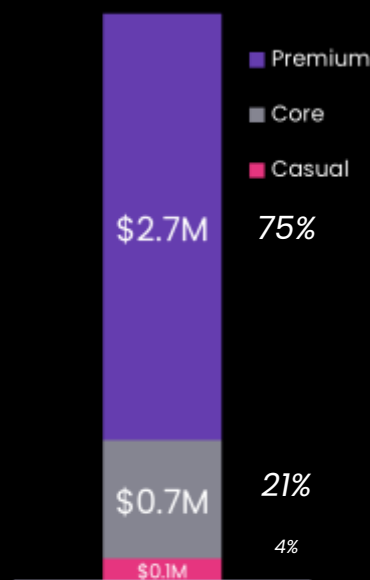
Vast majority of revenue is driven by premium core users



US Core and Premium Core users drive the vast majority of revenue (**83% of total**)

Despite being in beta, most revenue coming from international users is from the premium cohort

96% of Monthly Revenue comes from Core + Premium Core Users



Core + Premium Revenue Dist.

## Strong unit economics – LTV: CAC Ratio of 7:1

There are several compelling opportunities to increase our LTV:CAC ratio and invest heavier in user acquisition

**\$500+**

### US Premium Core User LTV<sup>(1)</sup>

Continues to increase with improving monetization of **new earning modes**, **fintech offerings**, & **higher retention** from new product features

**~\$70**

### US Premium User Acquisition Cost

Currently centered on digital channels such as Google Ads & Paid Social

**4–6  
Months**

### US Premium User payback period<sup>(2)</sup>

Will continue to improve with **increasing LTV** & **highly-scalable efficient distribution channels**

# US Premium Users & Monetization

Growth in US Premium Core MAU offset lower post-holiday monetization in Q1-22

3Q21

Identified core user segment



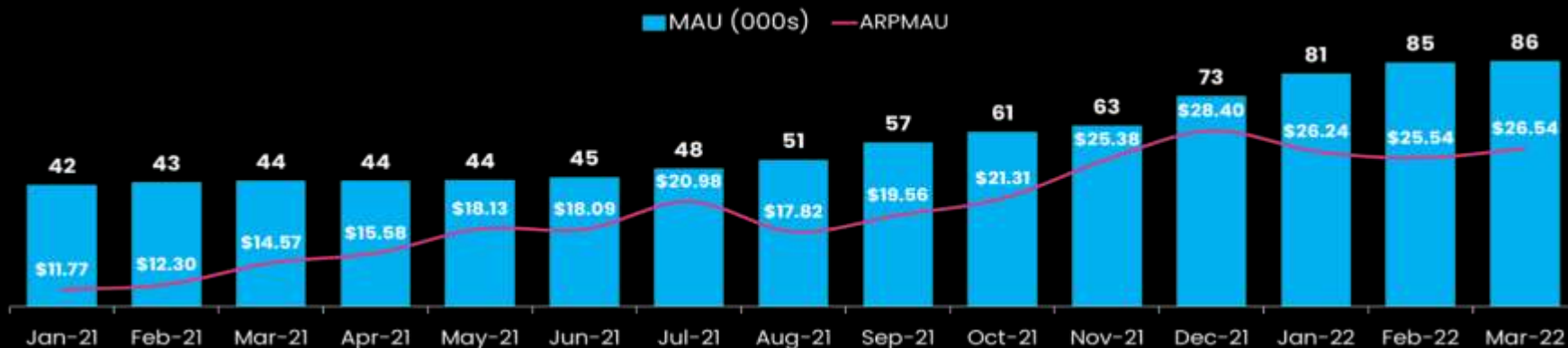
4Q21

Shifted UA strategy toward **US core users** w/ higher LTV  
Strong **seasonal tailwinds** for advertising segment



1Q22

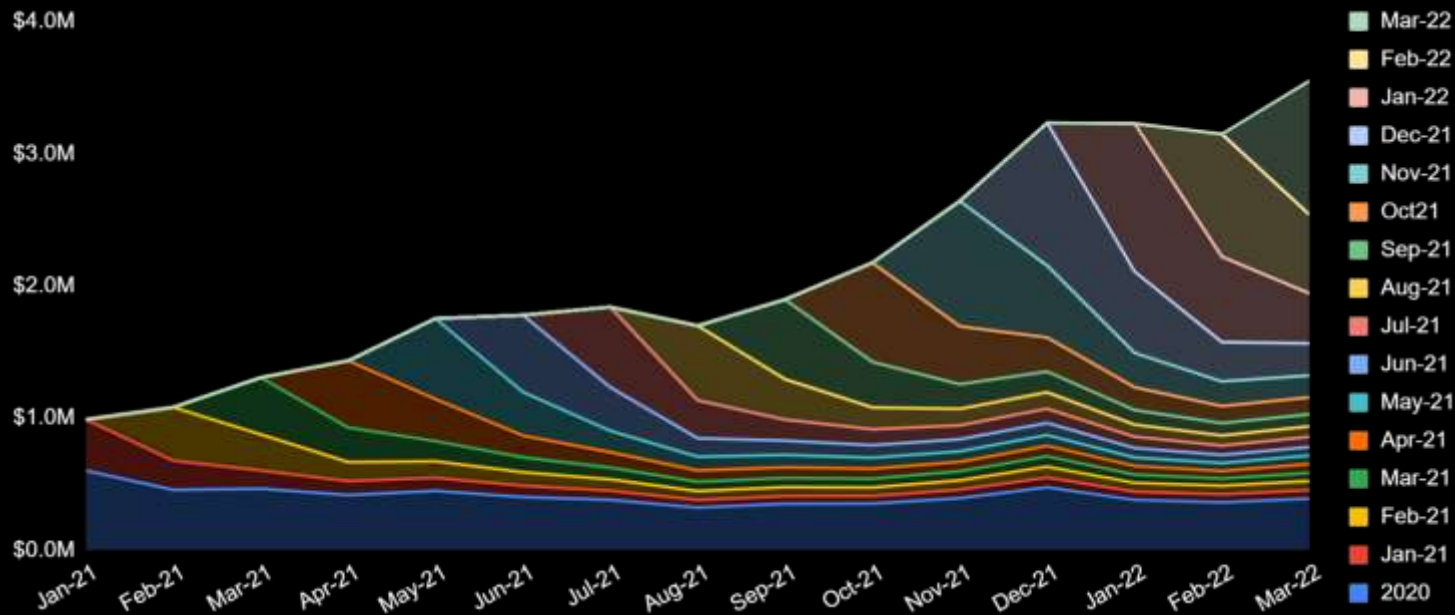
Expected decline in ARPMAU due to seasonality **post-holiday season**  
Identified **US premium user** segment



# EarnOS™ Stickiness – User Revenue Cohorts

Revenue growth driven by healthy & improving cohort trends

With new revenue & redemption options, monetization has grown not only for new cohorts, but for re-engaged older cohorts as well, leading to steady revenue growth since 2021



# Premium User Redemptions

New FinTech redemptions, evolving towards keeping rewards in the ecosystem

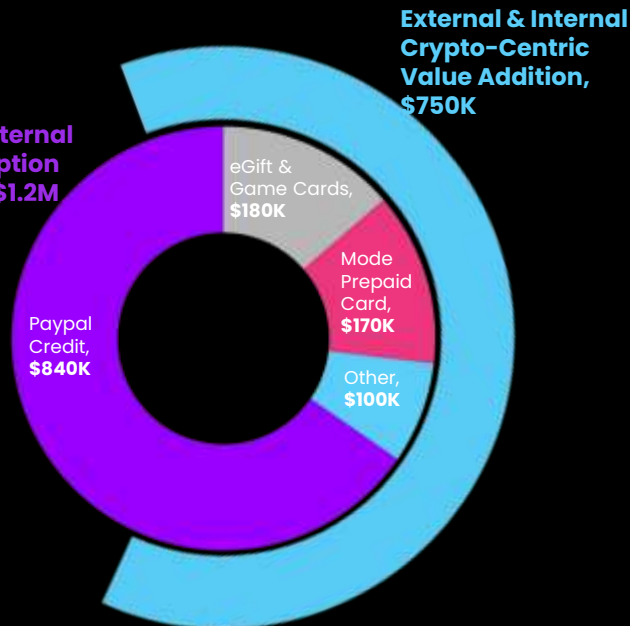
## Internally Funded Redemptions

- Crypto & NFTs
- Cash & Savings
- E-gift & Game Cards

Specific examples of internally funded redemptions:



Total Internal Redemption Value, \$1.2M



## Externally Funded Redemptions

- Sign-up Offers
- Redeemable Deals

Specific examples of externally funded redemptions:



**50%+ Increase in Premium User value** received through externally funded redemptions.

*\*Redemption values and value addition as of January 2022*

# Our Growth Strategy



Increase the number of **EarnOS™ premium users through new business initiatives** focused on continuing **efficient user acquisition** and **retention** as the company grows



Expand **Direct Deals** and **Survey & Market Research** businesses



Growing the **Web3 FinTech** offerings on the platform  
(i.e. in-app crypto trading – keeping users and redemptions in the ecosystem and driving increased monetization)



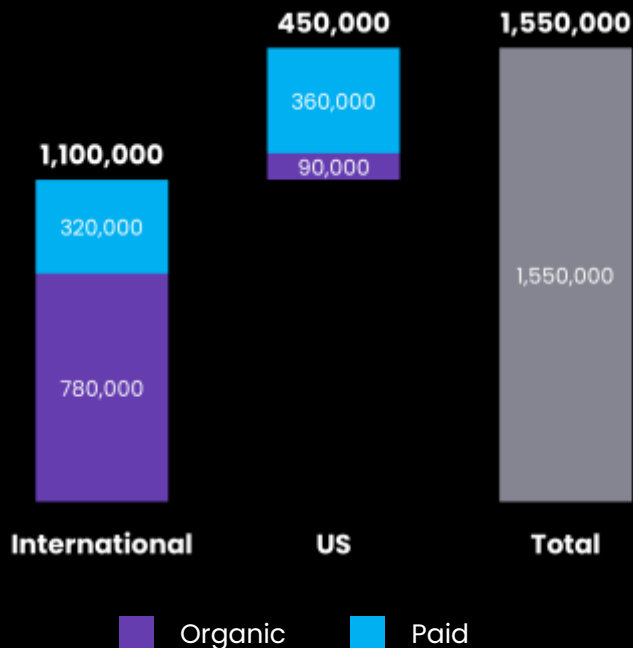
**International expansion** (i.e. focusing resources on International monetization) and scaling the **distribution** and **licensing** of **Mode Earn-Enabled devices**



# UA Strategy

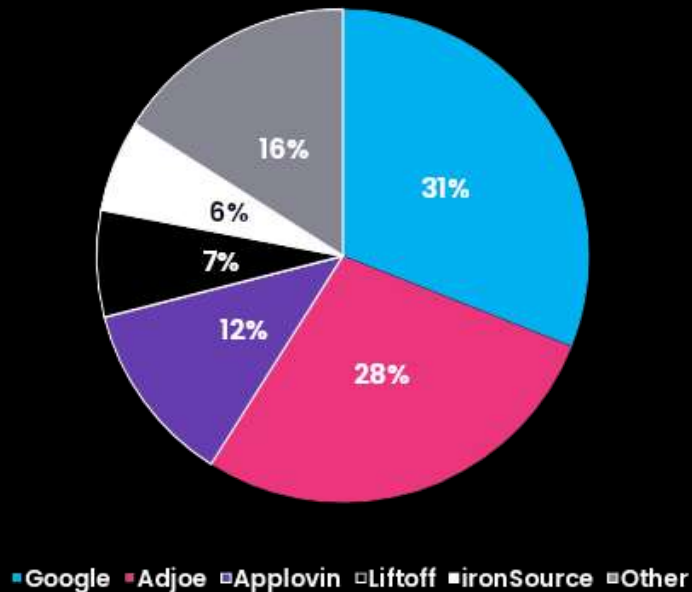
## How we acquire users

### Monthly Installs Distribution<sup>(1)</sup>



### Paid User Acquisition Channels

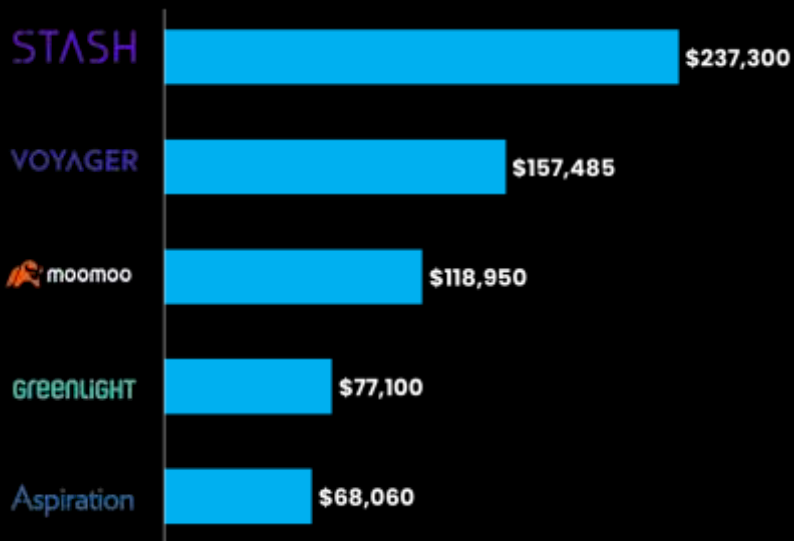
Global UA Spend of \$1.78M in Feb 2022



# FinTech Offering

Financial services product roadmap driven by user demographic

Select Top Revenue by Brand



## Category

Investing

Crypto

Trading

Teen Debit  
Cards

Banking

## Product Roadmap

Launching in Q2- Q4 2022



Points to crypto  
assets



Wallet access



Invest now; earn  
later

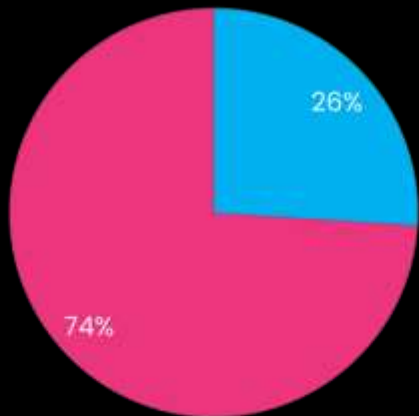


Mode prepaid  
card (launched)

# Massive International Opportunity

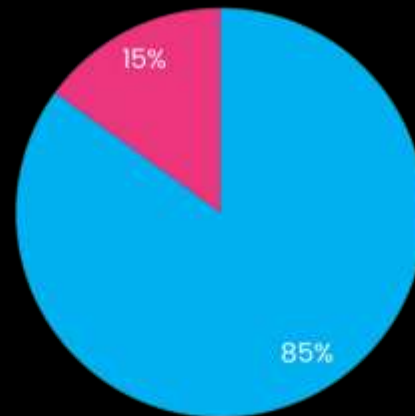
US Users represent 26% of audience & generate 85% of revenue

MAU - US vs. Intl



■ US ■ International

Revenue - US vs. Intl



■ US ■ International

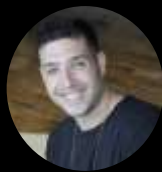
The international market is currently in a beta release phase

Given the extremely large existing portion of international users, we see a massive global opportunity to expand and monetize our user base

# Mode Mobile Team

The Right Mix of Passion and Experience

**Partners** over the past 10 years building B2C products:



**Dan Novaes**

CEO, Co-Founder

CEO, Co-Founder @ Nativ  
Mobile & MobileX Labs



**Kiran Panesar**

CTO, Co-Founder

CTO, Co-Founder @ Nativ  
Mobile & MobileX Labs



**Jeff Epstein**

Operating Partner @ BVP  
Former CFO of Oracle



**Mark Lawrence**

Founder & CEO @  
SpotHero



**Daniel Hoffer**

Managing Director  
Autotech Ventures



**Eddie Lou**

CEO & Co-Founder  
@ ShiftGig

## Senior Leadership:



**Lenny Rabin**

VP of Revenue

VP of Sales @ Prodege  
CEO @ RallyBound



**Ankur Sharma**

VP of Operations

CEO & Co-Founder @ TaxSpanner  
BizDev Manager @ Intel



**San Phan**

VP of Finance

Director of Strategic Finance @ Epic Games  
Sr. Director, Strategy @ Activision Blizzard



**Kathleen DeKam**

Chief People Officer

CPO @ Qualifacts  
CPO @ Digital Reasoning

# Market Landscape

## Our Platform

EarnOS wraps all the activities **consumers are already doing** onto a single platform

Companies in rewards and consumer fintech have built **big businesses on single point solutions alone**

Our value proposition is **driving engagement across all these services** to create an earnings based global super app



## Global Super Apps

Grab

kakao

Rakuten

WeChat

# Financial Performance & Forecast

Strong success to date, with stronger growth opportunity ahead

## Quarterly & Annual Financials, 2020A - 2024E

(\$ in 000s)	2021				2022				Annual				
	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	2020	2021	2022	2023	2024
Total Revenue	\$3,566	\$5,161	\$5,724	\$8,361	\$10,883	\$11,350	\$12,677	\$15,401	\$4,598	\$22,812	\$50,012	\$100,745	\$180,352
% YoY Growth	1,870%	2,777%	430%	157%	197%	120%	121%	54%	-	396%	119%	101%	79%
Cost of Sales	\$1,310	\$1,591	\$1,723	\$2,436	\$4,062	\$4,853	\$4,826	\$5,334	\$1,172	\$7,060	\$19,075	\$32,666	\$58,261
Gross Income	\$2,256	\$3,570	\$4,001	\$5,925	\$6,822	\$6,497	\$7,851	\$10,067	\$3,426	\$15,752	\$30,937	\$68,079	\$122,091
Gross Margin %	63%	69%	70%	71%	62%	57%	62%	65%	75%	69%	62%	68%	68%
User Acquisition Costs	\$2,180	\$3,479	\$3,285	\$4,806	\$5,696	\$4,930	\$5,064	\$5,479	\$3,602	\$13,749	\$21,169	\$30,223	\$42,383
Contribution Profit	\$76	\$92	\$716	\$1,119	\$826	\$1,567	\$2,787	\$4,588	(\$176)	\$2,003	\$9,768	\$37,856	\$79,708
Contribution Margin %	2%	2%	13%	13%	8%	14%	22%	30%	NM	9%	20%	38%	44%
Operating Expenses	\$1,835	\$1,797	\$2,418	\$2,635	\$3,719	\$3,871	\$4,501	\$5,082	\$4,355	\$8,685	\$17,173	\$27,548	\$39,359
EBITDA	(\$1,758)	(\$1,705)	(\$1,702)	(\$1,516)	(\$2,893)	(\$2,304)	(\$1,714)	(\$494)	(\$4,531)	(\$6,682)	(\$7,404)	\$10,308	\$40,349
EBITDA Margin %	-	-	-	-	-	-	-	-	-	-	-	10%	22%
Non-Operating Income	\$51	\$907	\$25	\$616	\$413	-	-	-	\$224	\$1,599	\$413	-	-
Team Count	41	62	76	88	105	123	147	170	31	88	170	245	315

Refer U.S. and G.A.A.P. financials

## Highlights

**Revenue** – Growth driven by

- MAU increases from retention initiatives & FinTech offerings;
- Continued shift from Casual to Premium Users;
- Continued ARPMU expansion with growing portfolio of revenue & earnings opportunities

**Gross Margin** – Stable with reward redemptions as primary cost of sales

**Operating Expenses** – Strong operating leverage; primarily driven by continued investment in growing the team

Model does not reflect significant upside potential from winning carrier deals for Mode Earn Phone

# \$50M+ in Series B Funding

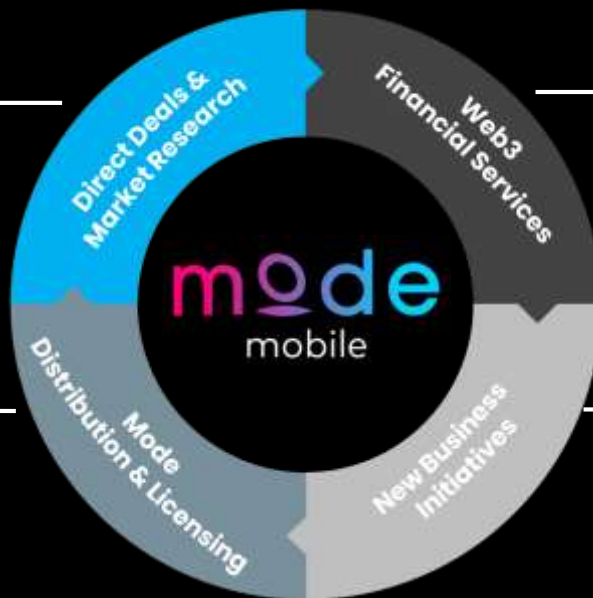
Building out and scaling the team and technology

## Use of Proceeds

Grow portfolio of direct deals with brand and developer partners

Expand survey, task, and market research businesses

Scale Mode Earn-Enabled devices across multiple channels – wireless carriers, D2C, marketplaces, and retail



Launch e-wallet with savings, & crypto investing to keep rewards in the platform

Offer in-store & online cashback, international expansion

Timeline: 2H 2022



# Appendix



# Differentiated 2023 UA Strategy

## Mode EarnOS™ Embedded Devices

- Initial success of Mode Earn Phone with EarnOS™ product drove stronger KPIs across the board with higher levels of user engagement, retention, & monetization
- US Mode users monetize 2x higher than general Core users with 2x higher retention
- Creating “Earn-Enabled” devices as a category via software licensing partnerships with mobile carriers & OEMs to launch their own earn products

**What Roku does for Smart TV, we can do for Smartphones Earn Phones**



**Open-source Android OS enables smartphones to be Mode Earn Phones**



**Carrier, OEM,  
& Retail Pilots:**

**Walmart** ✱

**amazon**

**7-ELEVEN.**

**Distribution Models:**

**License Software  
(OEM & Carriers)**

**Direct to Consumer  
(Subscription &  
Retail Partners)**

**Earn App Platforms  
(App & Web)**



# Graveyard

[ModeMobile.com](https://ModeMobile.com)



# What We Do

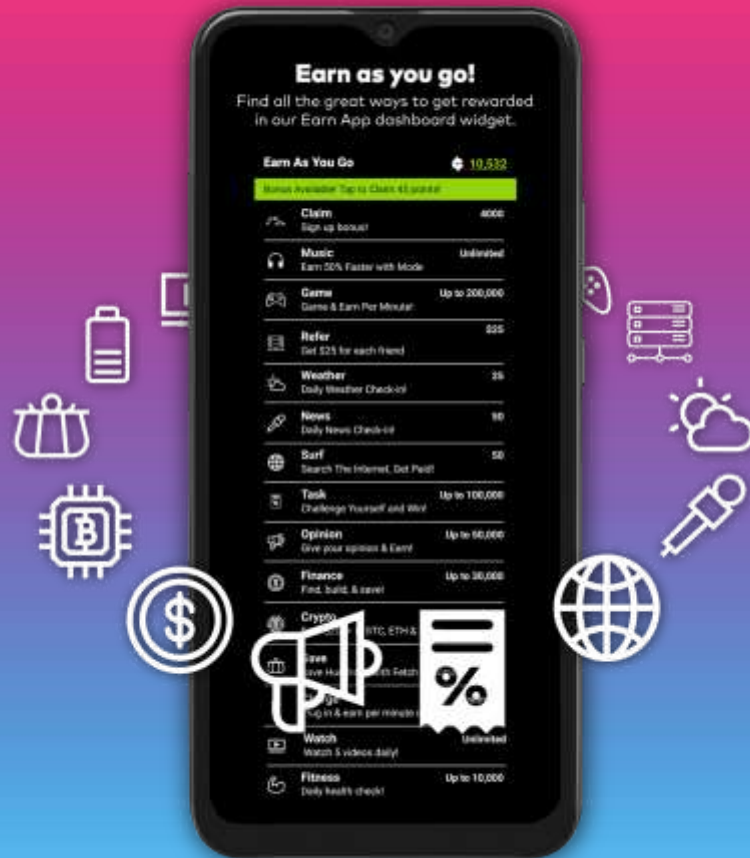
Proven reputation in rewards, rooted in financial services

## Web2 Meets Web3 ☒

We empower consumers to effectively monetize time & attention spent on Web2 activities through Web3-enabled reward mechanics

## Our Mission

To enable budget-conscious consumers to earn **supplemental income** & get **access to capital** through everyday activities

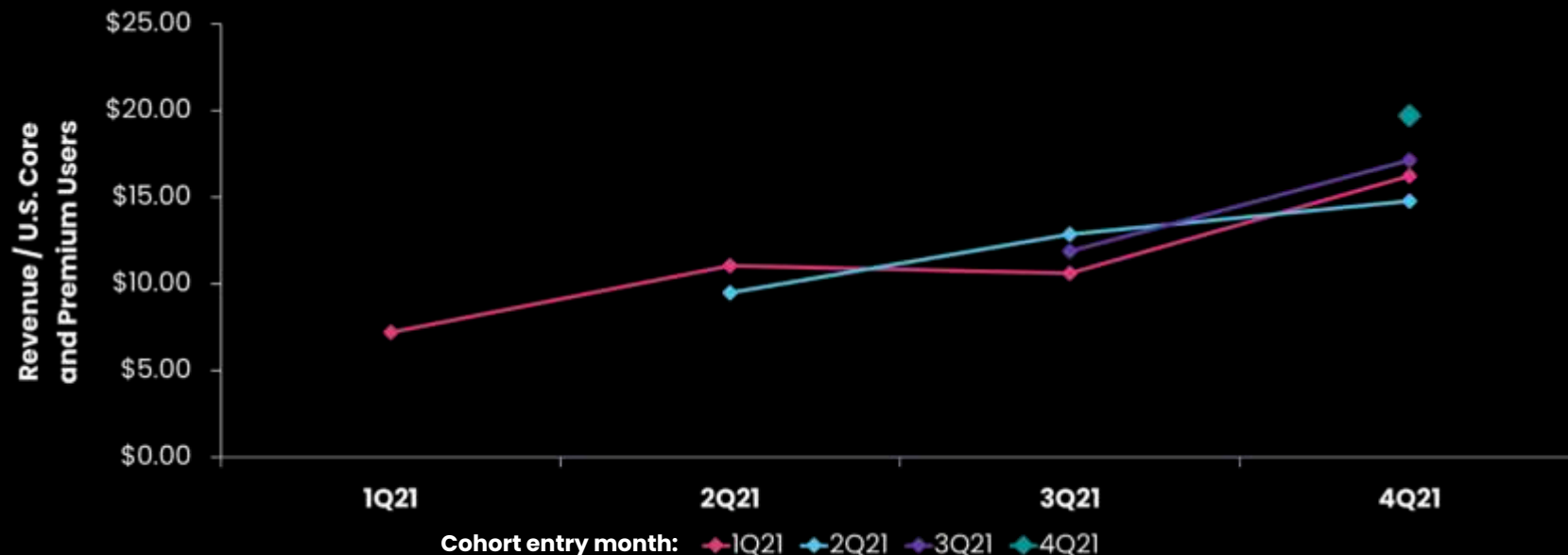


16+ earning modes  
& growing

# EarnOS™ Stickiness – Monthly User Revenue Cohorts

Revenue growth driven by healthy & improving cohort trends

New cohorts are generally monetizing better over time with new revenue & redemption options  
Older cohorts can also see monetization expand over time



# Shopping & Cashback

Double down on exiting shopping & cashback offerings under deals with new receipt scanning



Shopping & cashback extension with receipt scanning will be rolled out to the entire user base during **Q2 – Q3 2022 (mid-July)**

Cashback offerings **will improve user retention** by providing more ways for Mode users to earn & save

Mode Mobile will be in the unique position of aggregating data through **both receipt scanning plus surveys**